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WIRELESS DIRECT DIAL NUMBER

Magalie Roman Salas
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: BTCH-19991116AKV, et al.

Dear Ms. Salas:

On behalf of National Hispanic Policy Institute, Incorporated, there is transmitted herewith an original and four copies of its Petition to deny the transfer of control applications of the Shareholders of AMFM Inc. to Clear Channel Communications, Inc.

Should any questions arise with regard to this matter, kindly communicate directly with the undersigned counsel.

Respectfully submitted,

KAYE, SCHOLER, FIERMAN, HAYS & HANDLER, LLP

By: 

Bruce A. Eisen

Enclosure

BEFORE THE

Federal Communications Commission

WASHINGTON, D.C. 20554

In re Applications of)
)
SHAREHOLDERS OF AMFM INC.) BTCH-19991116AKV, et al.
(Transferors))
)
and)
)
CLEAR CHANNEL COMMUNICATIONS, INC.)
(Transferee))
)
For consent to transfer of control of AMFM Inc.)
to Clear Channel Communications, Inc. and to)
thereby effect a merger of AMFM Inc. and)
Clear Channel Communications, Inc.)

TO: The Commission

PETITION TO DENY

Bruce A. Eisen, Esq.
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January 7, 2000

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SUMMARY

The National Hispanic Policy Institute opposes the applications for transfer of control proposing a merger between Clear Channel Communications, Inc. and AMFM Inc. The merger will result in a consolidated broadcasting empire blanketing the United States with hundreds of radio stations and creating a company that can reach an audience previously enjoyed only by network television. Accordingly, it is extremely important for the Commission to closely scrutinize the *bona fides* of the parties to the merger agreement.

In particular, the Institute believes that Clear Channel's interest in Hispanic Broadcasting, Inc. is in reality greater than the approximately 29% non-voting stock interest that Clear Channel claims is non-attributable for ownership purposes. Hispanic is, itself, the largest owner of Spanish-language broadcast stations in the United States. Public documents demonstrate that the relationship between Clear Channel and Hispanic provide Clear Channel with significant authority over the business activities of Hispanic. At the very least, there is a *de facto* relationship between the parties that should result in full attribution to Clear Channel of all Hispanic stations and which will affect any divestiture pledges made in the applications.

The transaction contemplated by the merger will result, not only in violations of the multiple ownership rules, but also in anti-competitive conduct to the detriment of present and future Hispanic American broadcasters.

BEFORE THE

Federal Communications Commission

WASHINGTON, D.C. 20554

In re Applications of)	
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Clear Channel Communications, Inc.)	

TO: The Commission

PETITION TO DENY

National Hispanic Policy Institute, Incorporated ("Institute"),¹ by its attorneys, hereby opposes the above-captioned applications for transfer of control and respectfully requests the Commission to designate the applications for an evidentiary hearing and, based on the evidence expected to be adduced at the hearing, to deny the applications.²

¹ The Institute is, as shown in the annexed declaration of Efrain Gonzales, Jr., an organization created to address Hispanic American issues. It believes that the proposed merger is anti-competitive to broadcast licensees owned by Hispanic Americans.

² The specific applications and file numbers can be found in the Commission's Public Notice, Report No. 24628, released December 9, 1999.

BACKGROUND

The captioned applications propose a merger between Clear Channel Communications, Inc. ("Clear Channel") and AMFM Inc. ("AMFM"). The transaction, if approved by the Commission and consummated, will result in an enormous media enterprise controlling in excess of 830 domestic radio stations, 19 television stations and significant equity interests in other radio broadcasting companies.³ Hence, AMFM, the largest radio station group in the United States, will join forces with Clear Channel, the third-largest American radio company.⁴ The proposed merger should be denied because it is both anti-competitive and a violation of the Commission's ownership rules. The problems inherent in the transaction go well beyond the Commission's public notice note to analyze various markets that are part of the merger in order to determine questions of ownership concentration. Further, the parties' reference to possible divestitures of stations in order to comply with the local ownership rules (see, e.g., Section IIB of the application) is inadequate since it fails to address the questions raised by this petition to deny.

The Commission's ownership rules now provide for an equity/debt plus attribution approach (EDP Rule) in order to better evaluate allegedly non-attributable interests that properly raise diversity and competition concerns. Hence, if an investor is a same-market media entity subject to the Commission's multiple ownership rules, the interest is attributable if it exceeds

³ If the transaction closes, the merger will also result in ownership of more than 425,000 outdoor displays.

⁴ AMFM was formerly known as Chancellor Media Corp. After consummation, the current AMFM shareholders will own approximately 37% and the current Clear Channel shareholders will own approximately 63% of the merged parent company. See, application, Exhibit B.

33% of the total asset value (equity plus debt). See, Review of Regulations for Attribution of Interests, 14 FCC Rcd 12559, 12578-82 (1999). Clear Channel presently owns a 28.7% non-voting interest in the common stock of Hispanic Broadcasting, Inc. ("Hispanic"), the largest owner and operator of Spanish language radio stations in the United States.⁵ Superficially, this quantum of ownership would not be attributable in a same-market media context because it is below the benchmark of the EDP Rule. However, this claim must be compared to the contents of Attachment 5 annexed to this petition. It is herein requested that the Commission carefully scrutinize Clear Channel's holdings in Hispanic prior to any grant of the transfer applications so that it may ascertain whether or not the 43 Hispanic stations are in fact attributable to Clear Channel.

THE RELATIONSHIP BETWEEN HISPANIC AND CLEAR CHANNEL

Clear Channel's *de facto* control of Hispanic far exceeds the statement in the transfer applications, Exhibit 2, page 2. Clear Channel is able to exert significant influence over the affairs of Hispanic, and the quantum of the interest surely transcends the benign claim that it is "non-attributable."

Exhibit 2 of the application recites that Clear Channel Communications, Inc. is the ultimate parent of Clear Channel Broadcasting, Inc., which owns approximately 29% of the total outstanding common stock of Hispanic in the form of convertible non-voting common stock. The application notes that the stock may be converted to voting common stock only upon receipt of any FCC consents which may be required by applicable law, and that no Clear Channel entity

⁵ See applications, Exhibit 2. The transfer applications also include a list of Hispanic and Hispanic affiliate stations at Appendix 3. These will be referred to as "Hispanic" stations.

holds any option to acquire additional Hispanic stock, there is no "debtor-creditor relationship between Clear Channel and Hispanic," and that neither programs any station licensed to the other pursuant to a local management agreement, nor sells time on any station licensed to the other pursuant to a joint sales agreement. Furthermore, the application states that no principal of Clear Channel or Hispanic serves on the board of directors or as an officer of the other company. However, some of the communities of license listed in Appendix 3 are communities of license which also include stations licensed to AMFM and/or Clear Channel. Hence, but for the claim that the Hispanic stations are non-attributable to Clear Channel, there could be manifest violations of the Commission's local ownership rules. In a merger of this magnitude, the Commission must be completely satisfied that there will be full compliance with its rules, and that the merger parties do not attain to an anti-competitive advantage.

Business entities may, of course, be structured in a wide variety of ways, and the Commission may take official notice of a long history of broadcast applicants who have proposed legal business structures in an attempt to avoid the rules. It is well established that "control" implies any act which allows an individual or entity to determine the manner or means of operating a licensee and determining the policy that the licensee will pursue. Powel Crosley, Jr., 11 FCC 3, 20 (1945). Moreover, if a minority interest in a licensee - - such as that purportedly owned by Clear Channel in Hispanic - - includes the power to dominate management of the company's affairs, then questions of *de facto* control and influence in excess of that depicted to the agency become important elements for FCC consideration. See, e.g., Benjamin L. Dubb, 16 FCC 274, 289 (1951).

Hispanic is the largest Spanish language broadcaster in the United States. It already owns the 43 stations set forth at Appendix 3 to the applications, and it has announced plans to make \$1 billion in acquisitions in the next three to four years. See, Bloomberg.com, December 8, 1999 (Attachment 1). Hispanic has even announced that it has submitted bids to Clear Channel to acquire stations which Clear Channel is to divest as a result of the subject merger! Id.

Clear Channel owns all of Hispanic's outstanding non-voting Class B common stock, which is convertible at will, at any time, to voting Class A common stock. See, Heftel, June 3, 1999 Proxy Statement, page 4, and Second Amended and Restated Certificate of Incorporation of Heftel Broadcasting Corporation, filed March 3, 1997, Section 5.7(c), page 3 (Attachments 2 and 3). At March 31, 1999, Clear Channel's Class B common stockholdings, if converted on that date, would have given it 28.7% of all outstanding Hispanic Class A voting stock. See, Heftel Prospectus, dated June 1, 1999 at S-6 (Attachment 4). This would represent the single largest shareholder position in Hispanic. The present Class A stock of Hispanic is held largely by the Tichenor family. McHenry T. Tichenor, Jr., Hispanic's president, owns 20.5%, McHenry Tichenor, a director, owns 20.4%, and Warren W. Tichenor owns 20.5% of Hispanic stock. See, Heftel June 3, 1999 Proxy Statement at page 5.

Importantly, even absent conversion to Class A stock, Clear Channel's Class B stockholdings result in a substantial amount of control over Hispanic's corporate activity. For instance, Hispanic's certificate of incorporation provides that as long as Clear Channel owns 20% of Hispanic's stock, Clear Channel must consent in writing before Hispanic can take a number of important business actions. Without Clear Channel's consent, Hispanic is unable to sell or transfer all or substantially all of its assets or merge with another entity where Hispanic

shareholders, prior to the merger, would not own at least 50% of the capital stock of the surviving entity. Without Clear Channel's consent, Hispanic can issue no shares of preferred stock, amend the certificate of incorporation if such amendment would adversely affect the rights of Class B shareholders, declare or pay any non-cash dividends or any non-cash distribution, and amend the articles of incorporation concerning the company's capital stock. See, Second Amended and Restated Certificate of Incorporation of Heftel Broadcasting Corporation, filed March 3, 1997, Section 5.10 (Attachment 3).

ARGUMENT

These discretionary matters, solely within Clear Channel's control, constitute core licensee decisions that in large part determine the manner in which the various Hispanic stations are operated. They provide Clear Channel with a mechanism to dominate Hispanic's affairs. In past cases, the Commission has held that allegedly passive investors who must consent to important financial and business-related matters before a licensee can act are to be fully attributable. See, e.g., Atlantic City Community Broadcasting, Inc., 8 FCC Rcd 4520, 4521 (1993). Hispanic, itself, recently conceded that the control Clear Channel exerts over its business activities, as described above, "could have the effect of delaying or preventing a change in control, which could deprive our stockholders of the opportunity to receive a premium for their shares. These provisions could also make us less attractive to a potential acquirer and could result in holders of Class A common stock receiving less consideration upon a sale of their shares that might otherwise be available in the event of a takeover attempt." See, Heftel Prospectus Supplement to Prospectus, dated December 24, 1997, dated June 1, 1999, page S-6 (Attachment

4). What is more, Hispanic has admitted that Clear Channel's stock interest had the further potential to affect business operations:

"Clear Channel owns a significant percentage of our common stock. Any direct or indirect sales of our stock by Clear Channel could have a material adverse affect of our stock price and could impair our ability to raise money in the equity markets." *Id.*

The continued ownership of Hispanic stock presents various issues, some of which relate to anti-competitive matters under the Clayton Act, and others that relate to Clear Channel's involvement with stations licensed to Hispanic. With regard to the latter, the relationship which is presently in place between Hispanic and Clear Channel surely results in a conclusion that the Hispanic stations must be attributable to Clear Channel.

There can be no question but that the Commission and the courts have found *de facto* control in the hands of persons or entities holding less than a controlling stock interest. *See, e.g., George E. Cameron, Jr. Communications, Inc.*, 91 FCC 2d 870 (Rev. Bd. 1982), *recon. denied*, 93 FCC 2d 789 (Rev. Bd. 1983), *aff'd in part*, 55 RR2d 585 (1984). Indeed, one important indicia of control is the ability to block the sale of a station. As shown, in the absence of Clear Channel's consent, Hispanic is unable to sell or transfer all or substantially all of its assets or merge with another entity where Hispanic shareholders, prior to the merger, would not own at least 50% of the capital stock of the surviving entity. The ability of a minority shareholder to block the sale of a station is a factor that must be considered in determining whether that shareholder possess *de facto* control. *See, e.g., L.B. Wilson, Inc. v. FCC*, 397 F2d 717, 721 (D.C. Cir. 1968).

It is important to understand that it is not the aspect of outright "control" that is even here at issue. Rather, it is the quantum of *de facto* ownership enjoyed by Clear Channel in the Hispanic station licensees. The relationship between Hispanic and Clear Channel demonstrates that the former company's interest must be construed as attributable. Simply because the parties state that the equity ownership is less than 30% does not mean that the matter is off the chart for FCC scrutiny. It is a minor leap from the alleged 29% interest to the requisite interest in excess of 33% that will result in attribution in those markets where the merged entity and Hispanic will own radio stations.⁶ All one need do is to review the documents in order to evaluate the operational influence and to see that the percentage equity figure given by the parties is at best superficial, intended to convince the Commission that the level of Clear Channel ownership in Hispanic does not violate the EDP benchmark. Nowhere, for instance, has Clear Channel even hinted at recusing itself from matters relating to Hispanic's broadcast business. Cf. Stockholders of CBS, Inc., 1 CR 1114 (1995).

The quotation from Hispanic cited earlier is instructive. Hispanic has conceded that Clear Channel's interest will affect its business activities, for the interests could prevent a change in control. No wonder that cases have viewed such indicia of control as important in the overall question of who influences management decisions, including day-to-day decisions. While Clear Channel may not have the ultimate say in the manner in which the Hispanic stations are operated, it would be illusory to find that Clear Channel's ability to impede Hispanic business decisions does not elevate its interest at least to attribution status. At a very minimum, the relationship

⁶ Of course, in light of the control factors cited herein, Clear Channel's interest in Hispanic must be considered as attributable in all Hispanic station markets.

between Clear Channel and Hispanic must be measured in the light of the potential controlling and intimidating effect Clear Channel's interest may have on Hispanic's business operations in its various markets.

The Commission is now faced with a broadcast merger of historic proportion which will surely impact upon the future of broadcast ownership in this country. Certainly, the implications for Spanish-language broadcasters is evident. What is perhaps of prime importance is that at least one of the merger parties has elected to avoid the rules, notwithstanding its already substantial market presence. Clear Channel has here attempted to acquire more than its permissible share even under the liberalized standards of the Commission's multiple ownership rules.⁷ The very prospect of a diminished Hispanic stock price will logically determine the manner in which Hispanic makes important business decisions. It will also raise questions involving potential financing, hiring and firing, and the various policies implemented by Hispanic at its station facilities. Through this merger, Clear Channel will elevate Hispanic's

⁷ It is at least curious that the merger application avoids reference to the December 17, 1999 application for assignment of license of Station KTJM(FM) at Port Arthur, Texas, from Faith Broadcasting, L.P. to Clear Channel Broadcasting Licenses, Inc. (File No. BALH-19991217ABT). Clear Channel has acted under a joint sales agreement with the assignor, but has openly marketed KTJM as a Houston station. While under extant policy, Port Arthur may not technically be part of the Houston market, Clear Channel's efforts to place the KTJM antenna at a specific location in order to insure the provision of a quality signal into Houston as well as its general operational control of the assignor are pretty much common knowledge in the Houston radio market. Hence, even without the proposed merger, Clear Channel's assumption of control over KTJM exceeds the stated limit in Houston (see Attachment 5). This manipulation is solid proof that the Commission's "market" definition must be revamped. KTJM certainly has sufficient presence in Houston to be counted as contributing to the number of stations "in the market" for purposes of determining whether local ownership rules are violated. The time for opposing the KTJM assignment application has not yet expired.

already preeminent position in Spanish-language radio to a level of true dominance, for the authority over Hispanic's operations that reveals itself in the relevant business documents is apparent. The public filings so portend the control that Clear Channel has over Hispanic's business operations that a hearing into their relationship is necessary. The former's interest in the latter provides Clear Channel with significant influence, if not *de facto* control, over Hispanic's ability to carry out its business operations and its proposed \$1 billion expansion plan.⁸

It is axiomatic that the question of control cannot be categorically determined by any mathematical formula. Instead, the facts and circumstances surrounding each particular case must govern. In Cincinnati Bell, Inc., 88 FCC2d 33 (1981), the Commission found that AT&T's minority stock interest in Cincinnati Bell, Inc. and Southern New England Telephone Company, at the time 29.7% and 21% respectively, as well as the dependent business relationship between AT&T and the Baby Bells, including AT&T's financial advances to the subsidiaries, combined to invest AT&T with control over the subsidiaries. Nothing is different in this case. A non-attributable equity interest facially turns out to be a sham calculated and placed in front of the Commission in order to camouflage the true nature of the relationship between Clear Channel and Hispanic. The full facts involving this relationship, of course, can only be determined by the designation of an evidentiary hearing.

⁸ At the very least, it is apparent that Clear Channel and Hispanic will cooperate to concentrate control over Spanish-language radio, a matter which should concern the Commission. *De facto* control by one corporation over another can raise antitrust concerns. See, Denver and Rio Grande Western Railroad Co. v. U.S., 387 U.S. 485, 504 (1967). The Institute is appalled at such a prospect and believes that approval of the merger, coupled with the relationship between Clear Channel and Hispanic will prove disastrous to Hispanic-owned licensees.

The liberalization of the attribution and ownership rules makes it especially important to preserve the integrity of the licensing process. The Commission must know who truly controls the stations it licenses. See, Lorain Journal Company v. FCC, 351 F.2d 824 (D.C. Cir. 1965), cert. denied sub nom. WWIZ, Inc. v. FCC, 383 U.S. 967 (1966). The matter of honest disclosure regarding the actual control and ownership of a licensee can be resolved only through a fair reading of all the documentation underlining the ownership of the licensee. This is so because the Commission will not grant a broadcast license "to whom it may concern." The agency demands timely and accurate ownership data. See, 47 CFR §73.3615(a)(1) and (a)(1)(i). Hence, to determine whether or not the proposed merger can be granted it must also be addressed whether or not the Hispanic stations are attributable to Clear Channel and to develop a full record regarding the actual ownership of Hispanic. See, e.g., Palmetto Communications Company, 6 FCC Rcd 2193, 2195 (Rev. Bd. 1991).

Section 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. Section 310(d), states that no station license or the rights thereunder shall be transferred, assigned or disposed of in any manner, except upon application to the Commission, and upon a finding by the Commission that the public interest, convenience and necessity will be served thereby. [emphasis added]. Under the circumstances of this case, and for the preservation of structural broadcasting, it would be error to conclude that a grant of the transfer of control applications would serve the public interest absent exploration to determine whether or not there have been important matters concealed from the Commission regarding Hispanic's operations.

The Commission correctly takes to task broadcasters who play fast and loose with the ownership rules - - no matter how influential those broadcasters may be - - for those rules,

almost alone after deregulation, determine whether the public obtains a diverse spectrum of broadcast content. See, Seraphim Corp. (KGMT-TV), 2 FCC Rcd 7177 (1987). Indeed, the agency's questioning of non-genuine ownership structures is the Commission's best protection from the "strange and unnatural" business arrangements that have prevailed for various reasons in the past. Cf. Bechrel v. FCC, 957 F.2d 873, 880 (D.C. Cir. 1992).

CONCLUSION

The Institute urges the Commission to closely scrutinize the proposed merger between Clear Channel and AMFM. At the present time, the Commission does not have enough information as to the manner in which Clear Channel and Hispanic actually interact. Accordingly, it cannot in this vacuum affirmatively conclude that the public interest will be served by this proposed merger. In cases involving questions of control, the Commission at a minimum ordinarily conducts a very full document production and depositions in order to get at the truth of the matter. See, e.g., Fox Television Stations, Inc., 10 FCC Rcd 8452 (1995). The Institute believes that it would be appropriate in a case of this magnitude to hold a hearing. See, e.g., Trinity Broadcasting of Florida, Inc., 8 FCC Rcd 2475 (Hearing Designation Order, 1993).

In light of the foregoing, the transfer applications should be designated for an evidentiary hearing to inquire into the relationship between Hispanic and Clear Channel, and to reach a determination with regard to compliance with the Commission's ownership rules.

Respectfully submitted,

NATIONAL HISPANIC POLICY INSTITUTE,
INCORPORATED

By: 

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January 7, 2000

Hispanic Market Weekly™

June 19, 2000 / Page 4 of 11

of three radio stations from Clear Channel (see story above), HBC president Mac Tichenor complains that the agency "is creating a new rule and applying it retroactively to HBC." Wall Street, meanwhile, maintained its long-lasting admiration for HBC management with Salomon Smith Barney's analysts Niraj Gupta and Jason Helfstein reiterating HBC's "buy" rating. While the acquisition would have been "an attractive coup for HBC, given the high-growth characteristics of the markets," the analysts opted to maintain their \$110 per share 12-month target price for the issue. PaineWebber analyst Leland Westfield reiterated an "attractive" rating for HBC and set a 12-month target price of \$92. Other observers, however, see the ruling as the first crack in the HBC-Clear Channel connection. They cite the phenomenal growth of both companies as a

challenge to DOJ's benevolent look at the original relationship between the two broadcasting giants and predict further agency involvement in the reported plans for both companies' growth. Clear Channel, for instance, is waiting for approval of its pending \$4.6 billion SFX Entertainment acquisition. SFX recently purchased a 50 percent interest in CFA, the largest Hispanic event marketing company (HMW 3/6/00). These observers also cite the constant reports of negotiations for a merger between HBC and Univision, a deal that supposedly has not gone forward because of resistance from Univision partner Grupo Televisa. Now, they say, the potential merger between the two Hispanic-oriented broadcast giants will likely face close scrutiny from DOJ.

Ha Ha.- The DOJ decision to forbid the sale of Clear Channel's stations

to HBC (see stories above) is a victory for Hispanic Broadcasting System's Raúl Alarcón, who has been vocally active against the equity relationship between Clear Channel and HBC. One of the hurdles the two giant radio groups had to face in their attempt to spinoff the three radio stations in Austin, Phoenix and Denver was the petition to deny filed in January by the National Hispanic Policy Institute. In what some observers considered a non-coincidence, NHPI's petition was filed by Kaye, Scholer, Fierman et al., the Washington law firm that represents Spanish Broadcasting System (HMW 6/13/00). SBS was not a bidder for the Clear Channel/AMFM spinoffs. At the time of the bidding Alarcón said he would not participate as a protest for what he then saw as a potential rig between Clear Channel and HBC.

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Congress of the United States

Washington, DC 20515

July 11, 2000

The Honorable Joel Klein
Assistant Attorney General
Antitrust Division
U.S. Department of Justice
950 Pennsylvania Ave., N.W.

Re: Proposed Merger of Clear Channel Communications, Inc. and AMFM, Inc.

Dear Mr. Klein:

The proposed merger between Clear Channel Communications, Inc. ("Clear Channel") and AMFM, Inc. ("AMFM") will create the largest out-of-home media company in the world. The enormous media enterprise will control in excess of 830 domestic radio stations, 19 television stations, one of the largest outdoor advertising companies in the world, and a controlling interest in Hispanic Broadcasting, Inc., the largest owner and operator of Spanish language broadcast stations in the United States.

It has been alleged that Clear Channel's significant influence over Hispanic Broadcasting's business operations will enable Clear Channel to use its vast resources to boost both the Clear Channel and Hispanic Broadcasting stations to the top of radio markets, thereby leading to anticompetitive and/or monopolistic activity. Clearly, a thorough review of Clear Channel's holdings and influence over Hispanic Broadcasting should be pursued in order to maintain the integrity of the broadcast media markets, particularly radio, in what is classified as the largest 15 markets in the United States. As the largest single shareholder in Hispanic Broadcasting, and the attendant influence Clear Channel exerts over Hispanic Broadcasting operations from that position, requires the fullest practical investigation of all relevant facts to determine whether Clear Channel, as a newly formed \$25 billion giant, has the opportunity to avoid government regulation and reduce competition or obtain monopoly power in the radio markets where it and Hispanic Broadcasting own and operate radio stations.

Very Truly Yours,

Paul Myers *Jack Kautsky* *Richard P. ...*
Arnold ... *... M. ...* *Bill ...*
Donald ... *... H. ...* *Jo E. ...*

Congress of the United States**Washington, DC 20515**

July 11, 2000

The Honorable William Kennard,
Chairman
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: Proposed Merger of Clear Channel Communications, Inc. and AMFM, Inc.

Dear Chairman Kennard:

The proposed merger between Clear Channel Communications, Inc. ("Clear Channel") and AMFM, Inc. ("AMFM") will create the largest out-of-home media company in the world. The enormous media enterprise will control in excess of 830 domestic radio stations, 19 television stations, one of the largest outdoor advertising companies in the world, and a controlling interest in Hispanic Broadcasting, Inc., the largest owner and operator of Spanish language broadcast stations in the United States.

A question that arises as to whether or not Clear Channel's influence over Hispanic Broadcasting resulting from its position as the largest single shareholder in Hispanic Broadcasting contravenes the Commission's multiple ownership rules. Clearly, the relationship between Clear Channel and Hispanic Broadcasting requires the fullest practical investigation of all relevant facts so that the FCC may ascertain whether or not the 43 owned and operated Hispanic Broadcasting stations are in fact attributable to Clear Channel.

Very Truly Yours,

James H. Hargett *John L. Hargett* *Robert Hargett*
Jerrold Hargett *Stephen Hargett* *Bill Hargett*
Donald Hargett *Alfred Hargett* *J. E. Hargett*

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